

OFFICIAL COPY

Fresno, California

March 5, 2002

The City Council met in regular session at the hour of 8:32 a.m. in the Council Chambers, City Hall, on the day above written.

Present:	Tom Boyajian	Councilmember
	Brian Calhoun	Councilmember
	Brad Castillo	Acting President
	Jerry Duncan	Councilmember
	Sal Quintero	Councilmember
	Dan Ronquillo	Councilmember
	Henry Perea	Council President

Dan Hobbs, City Manager
Hilda Cantu Montoy, City Attorney
Becky Klisch, City Clerk
Yolanda Salazar, Assistant City Clerk

City Manager Hobbs gave the invocation, and President Perea led the Pledge of Allegiance to the Flag.

Councilmember Duncan commended candidates running for the City Council and Board of Supervisors for running positive, issue-oriented, professional campaigns and wished everyone well.

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APPROVE MINUTES OF FEBRUARY 26, 2002

On motion of Councilmember Calhoun, seconded by Councilmember Ronquillo, duly carried, RESOLVED, the minutes of February 26, 2002, approved as submitted.

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APPROVE AGENDA:

COMMENDATION TO PUBLIC WORKS EMPLOYEE LARRY TONEL FOR ASSISTANCE WITH SOUTHEAST FRESNO PROJECTS AND FOR DOING AN OVERALL JOB EXCEPTIONALLY WELL AND "QUIETLY" - COUNCILMEMBER QUINTERO

Commendation made with City Manager Hobbs stating he appreciated the recognition and would pass on the commendation to Mr. Tonel.

On motion of Acting President Castillo, seconded by Councilmember Ronquillo, duly carried, RESOLVED, the **AGENDA** hereby approved, by the following vote:

Ayes : Boyajian, Calhoun, Castillo, Duncan, Quintero, Ronquillo, Perea
Noes : None
Absent : None

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ADOPT CONSENT CALENDAR:

(1A) AWARD A CONTRACT TO CONSTRUCTION DESIGN UNLIMITED, INC. OF CLOVIS IN THE AMOUNT OF \$461,000 TO CONSTRUCT THE TRAFFIC OPERATIONS CENTER BUILDING

On motion of Councilmember Ronquillo, seconded by Acting President Castillo, duly carried, **RESOLVED**, the above entitled **CONSENT CALENDAR** hereby adopted, by the following vote:

Ayes : Boyajian, Calhoun, Castillo, Duncan, Quintero, Ronquillo, Perea
Noes : None
Absent : None

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(8:30 A.M.) ADOPT RESOLUTIONS PERTAINING PROPOSED FINANCING ARRANGEMENTS FOR THE ZONE SPORTS CENTER IMPROVEMENT PROJECT

1. RESOLUTION NO. 2002-76 - APPROVING A PROPOSED FINANCING PLAN FOR CONSTRUCTING A PORTION OF A FORTY-TWO ACRE SPORTS COMPLEX TO BE LOCATED IN NORTHWEST FRESNO; AND AUTHORIZING THE APPOINTMENT OF AN UNDERWRITER, FINANCIAL ADVISOR, TRUSTEE AND BOND COUNSEL IN CONNECTION WITH THE FINANCING - ACTING PRESIDENT CASTILLO

2. RESOLUTION NO. 2002-77 - ACCEPTING PETITION, DETERMINING TO UNDERTAKE CERTAIN COMMUNITY FACILITIES DISTRICT PROCEEDINGS AND AUTHORIZING THE CERTAIN ACTIONS WITH RESPECT TO COMMUNITY FACILITIES DISTRICT NO. 8

Acting President Castillo gave a brief overview of the issue; stated the project would benefit not only District 4 but the entire community and would draw people from the neighboring communities to the north and south for tournaments; and stated this was going to be a great venue and made a motion to approve staff's recommendation, which motion was seconded and later acted upon.

Tim McDonald, President, Venture 46, Inc., and partner in The Sports Zone, LLC, and Matt Johnson, spoke in support of the project stating it would provide quality entertainment to all people, opportunity for youth, and be a tremendous tourist draw, and reviewed the facility's key points as included in the staff report.

City Consultant Valenzuela and Controller Quinto spoke to the Mello-Roos and Not-for-Profit conduit financing proposed for the project, and reviewed the staff report as submitted and recommended approval.

Speaking to the issue were: Jeanne Larson, 3457 E. Redlands, opposed to the project; Barbara Hunt, 612 "F" Street, support; Mary Ann Jones, CSUF Professor, support; and Tom Gleeson, who spoke to issues relative to him financing his indoor soccer complex and the related CUP.

Lengthy discussion ensued with Ms. Quinto, Mr. Valenzuela, Assistant City Attorney Hale, Milt Varbis, partner in The Zone, Acting President Castillo, City Attorney Montoy and City Manager Hobbs clarifying issues and/or responding to questions and comments of Councilmembers Ronquillo, Calhoun, Boyajian and Quintero relative to the City of Fresno not being financially responsible, if Mello-Roos was a way to finance public improvements for a private project, the large expense for infrastructure being a discouragement for investors, Councilmember Duncan speaking in support of the project and commending the investors and Acting President Castillo, if Mello-Roos could be used to turn other property in the city into a park, where the 700 jobs would come from, if there would be cost for children to use the fields and if reasonable times would be available for their use, if information neighborhood/public meetings had been held, what 501(c)(3) conduit financing was, if Mr. McDonald's tax-exempt foundation was linked to 501(c)(3), Ms. Quinto explaining how the different parts of the project would be financed, if the bonds would be affected if the commercial side of the project failed **(2 - 0)**, amount of the developer's investment, who would own the property if the commercial failed, if the developers had a bank willing to work with them, Councilmember Boyajian speaking in support of the project and commending Mr. McDonald and The Zone team and also Mr. Gleeson for their investments, due diligence and what the next step would be in the process if approved, what financial information was needed from a 501(3)(c), if there was a requirement for a reserve account, and Mr. Hobbs clarifying the issue of risks and obligations to the City. Acting President Castillo and President Perea commented briefly in support and commended the investors.

On motion of Acting President Castillo, seconded by Councilmember Duncan, duly carried, RESOLVED, the above entitled Resolution Nos. 2002-76 and 2002-77 hereby adopted, by the following vote:

Ayes	:	Boyajian, Calhoun, Castillo, Duncan, Quintero, Ronquillo, Perea
Noes	:	None
Absent	:	None

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(5A) CONSIDER CONTINUATION OF RESOLUTION NO. 2001-362, AUTHORIZING PAYMENT OF SALARY DIFFERENCE BENEFITS TO CITY EMPLOYEES WHO HAVE BEEN ACTIVATED AS A RESULT OF OPERATION (INFINITE JUSTICE) *ENDURING FREEDOM - PRESIDENT PEREA

1. * RESOLUTION NO. 2002-78 - AUTHORIZING PAYMENT OF SALARY DIFFERENCE BENEFITS TO CITY EMPLOYEES WHO HAVE BEEN ACTIVATED AS A RESULT OF OPERATION (INFINITE JUSTICE) *ENDURING FREEDOM

A motion and second was made to adopt the resolution and President Perea noted the resolution did not include health and welfare benefits and another resolution would be brought back. Assistant City Manager Souza and City Manager Hobbs clarified issues and responded to questions of Councilmember Calhoun and President Perea relative to the cost to the city and funding source, if there was an additional "hit" on the budget, and the health and welfare benefits. * President Perea noted for the record and requested the resolution be corrected to reflect "Operation Enduring Freedom".

On motion of Acting President Castillo, seconded by Councilmember Duncan, duly carried, RESOLVED, the above entitled Resolution No. 2002-78 hereby adopted, by the following vote:

Ayes	:	Boyajian, Calhoun, Castillo, Duncan, Quintero, Ronquillo, Perea
Noes	:	None
Absent	:	None

Councilmember Duncan commended the families of the employees and stated Council supported them and appreciated their loved ones' sacrifices in serving our country.

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(9:00 A.M. #1) CONTESTED CONSENT CALENDAR:

(1B) AWARD A CONTRACT FOR A CITY HALL SECURITY CAMERA SYSTEM

1. * RESOLUTION NO. 2002-79 - 84TH AMENDMENT TO AAR 01-200 APPROPRIATING \$85,400 FROM CONTINGENCY FUNDS TO FUND THE CITY HALL SECURITY CAMERA SYSTEM CONSTRUCTION, INSPECTION, CONTRACT COMPLIANCE AND THE CITY STAFF PORTION OF THE WORK

Upon request of Councilmember Calhoun, Facilities Manager Major explained why the equipment was being purchased, what it would accomplish, cost to monitor and who would monitor the system, and why the system was being purchased after ten years and if there had been problems in the past. Councilmembers Calhoun and Ronquillo spoke in opposition to the issue with Councilmember Calhoun stating this was the people's building and the city was overreacting to world events, and Councilmember Ronquillo stating other building owners did not have the luxury of taxpayer money paying for a system. City Manager Hobbs stated this was in response to both local incidents and world events and was the responsible way to go noting one monitor would patrol the entire outside area. Councilmember Duncan spoke in support and made a motion to approve.

On motion of Councilmember Duncan, seconded by Acting President Castillo, duly carried, RESOLVED, a contract hereby awarded to Industrial Electronic Systems of Fresno in the amount of \$30,369.03 for a City Hall Security Camera System; and the above entitled Resolution No. 2002-79 hereby adopted, by the following vote:

Ayes	:	Boyajian, Castillo, Duncan, Quintero, Perea
Noes	:	Calhoun, Ronquillo
Absent	:	None

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(5B) STATUS REPORT ON DOWNTOWN STADIUM PROJECT, COMPLETION DATE AND DIRECTION TO STAFF - PRESIDENT PEREA

President Perea and Assistant City Manager Esquivel gave a brief update stating a meeting was held on March 4th and the stadium was on schedule for the May 1st opening as agreed to and emphasized April 16th was never agreed or committed to but was being hoped for by the Grizzlies.

Barbara Hunt, 612 "F" Street, spoke to the issue.

Councilmembers Duncan, Ronquillo and Boyajian commended staff, Mauldin Dorfmeier, Matt Kennedy and everyone else involved reiterating the project had never been delayed one day and stated the stadium and related

streetscape work was going to be a great project and great downtown experience, with Councilmember Boyajian adding he hoped there would be cooperation by all. President Perea thanked staff for all their work, emphasized the stadium would be owned by the City and people of Fresno and advised a meeting would be held with public works on the design of the plaque, and requested the City Attorney contact the Diamond Group relative to their March 15th \$200,000 commitment. There was no further discussion. (*Note - just before convening in closed session Councilmember Boyajian volunteered to be involved with President Perea in the meetings with staff on the design of the plaque.)

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UNSCHEDULED ORAL COMMUNICATIONS:

APPEARANCE BY BARBARA HUNT REGARDING (1) NEED FOR UPDATED COUNCIL DISTRICT BOUNDARY MAP AND (2) THE MAYOR'S LEGAL NAME

Appearance made; no action taken.

MEASURE "A" ON THE BALLOT THIS DATE RELATIVE TO COMPETITIVE BIDDING - COUNCILMEMBER CALHOUN

Councilmember Calhoun questioned whether matters under the \$100,000 threshold (such as item **1B** this date relative to the City Hall security camera system) could be approved by staff without council's knowledge with City Attorney Montoy responding and clarifying issues.

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(9:00 A.M. #2) CLOSED SESSION:

(A) CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - CASE NAME: IN RE THE IT GROUP, INC., IN THE BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE; CASE NO. 02-10118

The city Council met in closed session in Room 2125 at the hour of 10:10 a.m. to consider the above issue and adjourned thereafter.

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ADJOURNMENT

There being no further business to bring before the Council, the hour of 10:30 a.m. having arrived and hearing no objections, President Perea declared the meeting adjourned.

APPROVED on the 12th day of March, 2002.

Henry Perea, Council President

ATTEST: Yolanda Salazar, Assistant City Clerk